June 17, 1937

Received of the Washington State Liquor Control Board for filing:

Rules and Regulations entitled "TITLE VI -- DOMESTIC WINE WHOLESALERS", this

24 day of June 1937

Jess M. Rosenberg

DEFENDANT'S EXHIBIT

CASE

NO. C04-0360F

EXHIBIT NO. 418

Resp to Costco RFP 2808

CERTIFICATION

To The Honorable Ernest N. Hutchinson Secretary of State, State of Washington Olympia.

THIS IS TO CERTIFY That the within Rules and Regulations being entitled "TITLE VI -- DOMESTIC WINE WHOLESALERS" were adopted by the Washington State Liquor Control Board on the 23rd day of June, 1937.

IN WITNESS WHEREOF the Washington State Liquor Control Board has caused its name to be hereunto subscribed and its seal affixed, this 23rd day of June, 1937.

WASHINGTON STATE LIQUOR CONTROL BOARD

By E Gregory.

L. E. GREGORY - PHATEGAN

ATTEST:

Jay Grigaby, Secretary

JUN 24 1937

ERNEST N. HUTCHINSON SECRETARY OF STATE

Resp to Costco RFP .2809 The following regulations were adopted by the Washington State Liquor Control Board this 23rd day of June, 1937, to become effective the 30th day of June, 1937.

TITLE VI. - DOMESTIC WINE WHOLESALERS.

(1) Expertation and Sale of Domestic Wine.

Dementic wine wholesalers may sell and export domestic wine from the state, and one dementic winery may purchase dementic wine from, or sell domestic wine to, another dementic wine wholesaler.

(2) Domestic Wine Records Kept Separate - Preservation.

Domestic wine wholesalers must keep domestic wine accounts separate and independent from other accounts, and must keep and maintain proper records in a form approved by the board, showing all transactions in domestic wine, and must, in the case of domestic wine experted or domestic wine sold, transferred or shipped to another domestic wino wholesaler, preserve all bills of lading or other evidence of shipment for at least two years,

(3) Cash Sales: Exception.

No demostic wine wholesaler shall sell or deliver any demostic wine to retail licensees, except for cash paid at the time of, or prior to, the delivery of such demostic wine, provided that credit not to exceed this ty days may be allowed to railroads holding licenses under Section 23-L, N. S. Liq. Act.

(4) Wine Received Shall Dear Proper Stamps.

No demostic wine wholesaler shall receive from a demostic winery any demostic wine regardless of the package or container containing said demostic wine, unless such demostic wine shall have the proper storps properly affixed thereon.

TX418-003

(5) Exporting of Wine - Proper Stamps.

Demestic wine purchased by demestic wine wholesalers for export may be received from the demestic winery, stored and exported by the demestic wine

wholesaler with proper wine "in transit" stame only properly affixed to the packages, cases and containers.

(6) Revenue Stemps — Affilmation by Tholesaler.

Any describe when wholesalor, who has purchased describe wine intended for export, and which has been received under wine "in transit" stamps only, and who thereafter desires to sell such describe wine within the state of Washington, may precure from the board proper wine revenue stamps and preparity affix the same to the bottles or glass containors containing such wine by and with the consent of the board first had and obtained.

IT IS CHEEKED that copies of the foregoing regulations be filed in the office of the Secretary of State and forthwith published in parphlets, which parphlets shall be distributed free at all state liquor starce and agencies, and sailed to all helders of demostic who shelcsalers! licenses.

MASHIMOTON STATE LIQUOR CONTROL MARD

ATTEST:

Approved as to Form:

Assistant Attorney Ceneral.

Resp to Costco RFP 2811